

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Jennifer A. Maguire

SUBJECT: SEE BELOW

DATE: August 4, 2014

Approved

Date

8/12/14

**SUBJECT: ADOPTION OF APPROPRIATION ORDINANCE AND FUNDING
SOURCES RESOLUTION AMENDMENTS IN VARIOUS FUNDS TO
REBUDGET FUNDS TO 2014-2015 FOR COMPLETION OF PROJECTS**

RECOMMENDATION

- (1) Adoption of the following 2014-2015 Appropriation Ordinance and Funding Sources Resolution amendments in the General Fund:
 - (a) Increase the Beginning Fund Balance by \$596,000; and
 - (b) Increase the Police Administration Building Security Upgrades appropriation to the Public Works Department by \$596,000.
- (2) Adoption of the following 2014-2015 Appropriation Ordinance and Funding Sources Resolution amendments in the Building and Structure Construction Tax Fund:
 - (a) Increase the Beginning Fund Balance by \$429,000; and
 - (b) Increase the The Alameda – A Plan for the Beautiful Way appropriation to the Department of Transportation by \$429,000.
- (3) Adoption of the following 2014-2015 Appropriation Ordinance and Funding Sources Resolution amendments in the Water Utility Capital Fund:
 - (a) Increase the Beginning Fund Balance by \$98,000; and
 - (b) Increase the Nortech and Trimble Reservoir Rehabilitation appropriation to the Environmental Services Department by \$98,000.

OUTCOME

Approval of this memorandum will allow the timely completion of projects identified in this memorandum.

BACKGROUND

At the end of each fiscal year, all appropriations lapse and any unspent funds become part of the following year's beginning fund balance. In order to complete projects not completed at the end of the 2013-2014 fiscal year, remaining funds must be re-appropriated, or rebudgeted, to 2014-2015. Usually, such funds are rebudgeted through the Annual Report scheduled for City Council consideration in October 2014. However, due to the urgency to complete projects, the Administration is recommending to rebudget certain funds at this time.

ANALYSIS

Due to delays in projects identified in this memorandum, a number of rebudget adjustments will be necessary to complete projects described below during late summer and early fall.

Police Administration Building Security Upgrades

The rebudgeting of funds in the amount of \$596,000 is necessary to ensure sufficient funding is available to award the project, which is estimated to occur in September 2014. Police Administration Building Security Card Access System project will design and install a Federal Information Processing Standards (FIPS) 140-2 compliant security card access system for all of the exterior/exit doors of the Police Administration Building, Special Operation Building and their perimeter fences. There may be an add alternate to upgrade the existing card reader system at the San José Police South Substation to the FIPS 140-2 compliant system.

The Alameda – A Plan for the Beautiful Way

The rebudgeting of funds in the amount of \$429,000 is necessary to complete payments to the contractor, complete record drawings, finish the close-out process, and complete the final report and invoice to the California Department of Transportation in order to seek final reimbursement for grant funding. This work is anticipated to be substantially (if not completely) finished by October 2014.

Nortech and Trimble Reservoir Rehabilitation

The rebudgeting of funds in the amount of \$98,000 is necessary to complete the rehabilitation of two 3.0 million gallon steel reservoirs that provide fire protection and emergency supply for the North San José and Alviso services areas. The rebudget of unexpended 2013-2014 funds is necessary to ensure sufficient funding is available to complete the rehabilitation by December 2014, thereby preventing premature replacement of the reservoirs.

August 4, 2014

Subject: Rebudgeting of Funds to 2014-2015 to Complete Projects

Page 3

EVALUATION AND FOLLOW-UP

No additional follow up actions with the City Council are expected at this time.

PUBLIC OUTREACH/INTEREST

- X Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- ☐ **Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- ☐ **Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This memorandum meets Criterion 1. Therefore, this memorandum will be posted on the City's website for the August 26, 2014, City Council agenda.

COORDINATION

This memorandum has been coordinated with the Public Works Department, Department of Transportation and the Environmental Services Department.

FISCAL/POLICY ALIGNMENT

This memorandum is consistent with the City Council-approved Budget Strategy to continue with capital investments that spur construction spending in our local economy.

COST SUMMARY/IMPLICATIONS

A year-end reconciliation was completed for each of the projects recommended in this memorandum to ensure that unexpended funds are available to rebudget with no net increase in total project costs.

HONORABLE MAYOR AND CITY COUNCIL

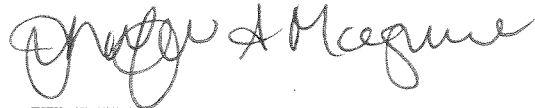
August 4, 2014

Subject: Rebudgeting of Funds to 2014-2015 to Complete Projects

Page 4

CEQA

Not a Project, File No. PP10-067(b), Appropriation Ordinance.



JENNIFER A. MAGUIRE

Deputy City Manager/Budget Director

I hereby certify that there will be available for appropriation in the designated fund and in the amounts listed below in Fiscal Year 2014-2015 moneys in excess of those heretofore appropriated therefrom:

General Fund	\$596,000
Building and Structure Construction Tax Fund	\$429,000
Water Utility Capital Fund	\$98,000



JENNIFER A. MAGUIRE

Deputy City Manager/Budget Director

For questions please contact Bonny Riccobono, Capital Budget Coordinator, at 408-535-8129.